

FISCAL NOTE

SB 3814 – HB 3393

February 19, 2008

SUMMARY OF BILL: Prohibits credit card and other credit solicitations to students or other customers on college campuses or through student organizations. Students may opt out of receiving credit card offers by indicating that they do not want to receive such solicitations as part of the student directory listing process. Prohibits the use of any state or federal revenue to replace any funding that is lost, and requires any increase in state expenditures as a result of the bill to be funded from credit card revenues.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The current fiscal impact is estimated to be minimal since existing contracts would not be impacted by the bill and institutions of higher education affected by this bill have multi-year contracts in place. However, to the extent that future contracts have to be modified as a result of the bill, the state institutions of higher education may forego future revenues.

Assumption:

- Existing contracts could not be impacted under the constitutional impairment of contract doctrine in that legislation passed after the signing of a binding contract could not alter the relationship of the contracting parties for the term of the contract. While this legislation may impact the bargaining power of institutions who may seek to enter into similar agreements in the future as to their faculty, staff, students and alumni, the extent of this impact is estimated to result in institutions of higher education foregoing significant future revenues.

For information purposes, Affinity card vendors typically provide up front monies to institutions for names of employees, alumni, and students. The institutions also receive a percentage from the vendor from charges applied to the cards.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

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